

DUKE ENERGY PROGRESS, LLC
SUMMARY OF PROPOSED REVENUE ADJUSTMENTS
FOR EACH RATE YEAR, USING A BASE PERIOD TEST YEAR ENDED DECEMBER 31, 2021
APPLICATION
(Dollars in Millions)

Exhibit 1
Page 1

Line No.	Description	NC RETAIL OPERATIONS			Reference
		Base Rates	EDIT Rider	Total Impact	
1	Traditional Base Rate Revenue Requirement	\$ 227.6	\$ (8.5) [1]	\$ 219.2	Jiggetts Exhibit 2 Page 1 Total, Column 5, Line No. 1
2	Rate Year 1 - Incremental Revenue Requirement for MYRP Projects	106.6		106.6	Taylor, Exhibit 4, Column 1, Line No. 14
3	Rate Year 1 - Total (L1 + L2)	\$ 334.3	\$ (8.5)	\$ 325.8	
4	Rate Year 2 - Incremental Revenue Requirement for MYRP Projects	\$ 150.8		\$ 150.8	Taylor, Exhibit 4, Column 2, Line No. 14
5	Rate Year 3 - Incremental Revenue Requirement for MYRP Projects	\$ 138.3		\$ 138.3	Taylor, Exhibit 4, Column 3, Line No. 14
6	Cumulative Rate year 3 Revenue Increase	\$ 623.5	\$ (8.5)	\$ 615.0	Sum Lines 3 - 5

[1] Proposed EDIT rider reduction would expire in June 2026 (part way through Rate Year 3) along with the rest of the EDIT-4 rider.

-- Some totals may not foot or compute due to rounding.

DUKE ENERGY PROGRESS, LLC
OPERATING INCOME FROM ELECTRIC OPERATIONS
FOR THE TEST PERIOD ENDED DECEMBER 31, 2021
APPLICATION
(Thousands of Dollars)

Exhibit 2
Page 1 Total

Line No.	Description	Total Company Per Books (a) (Col. 1)	Traditional Base Rate Revenue Requirement North Carolina Retail Operations				
			Per Books (a) (Col. 2)	Accounting Adjustments (c) (Col. 3)	Before Proposed Increase (Col. 4) = Col. 2 + Col. 3	Revenue and Expenses from Proposed Increase (e) (Col. 5)	After Proposed Increase (Col. 6) = Col. 4 + Col. 5
1	Electric operating revenue	\$ 5,672,153	\$ 3,800,280	\$ (143,304)	\$ 3,656,976	\$ 227,646	\$ 3,884,622
	Electric operating expenses:						
	Operation and maintenance:						
2	Fuel used in electric generation	1,274,999	808,658	(214,606)	594,052	-	594,052
3	Purchased power	502,937	280,323	121,186	401,509	-	401,509
4	Other operation and maintenance expense	1,324,856	907,729	(87,042)	820,686	869	821,555
5	Depreciation and amortization	1,107,014	742,091	170,807	912,898	-	912,898
6	General taxes	159,530	106,717	(5,581)	101,136	-	101,136
7	Interest on customer deposits [b]	10,049	9,415	-	9,415	-	9,415
8	EDIT Amortization (net of tax)	(155,407)	(132,808)	110,053	(22,755)	-	(22,755)
9	Net income taxes	231,477	172,116	(32,447)	139,669	52,415	192,085
10	Amortization of investment tax credit	(3,756)	(2,378)	(19)	(2,398)	-	(2,398)
11	Total electric operating expenses	\$ 4,451,701	\$ 2,891,863	\$ 62,351	\$ 2,954,213	\$ 53,284	\$ 3,007,497
12	Operating income	\$ 1,220,452	\$ 908,418	\$ (205,655)	\$ 702,763	\$ 174,362	\$ 877,125
13	Initial cost rate base	\$ 17,546,243	\$ 12,254,963	\$ 38,110 (d)	\$ 12,293,074	\$ 11,176 (f)	\$ 12,304,250
14	Rate of return on North Carolina retail rate base		7.41%		5.72%		7.13%

-- Some totals may not foot or compute due to rounding.

- Notes: (a) From Form E-1, Item 45a Per Book COS 12 CP Firm
(b) Reclassifies interest on customer deposits to electric operating expense
(c) From Jiggetts Exhibit 2 Page 3, column (Col. 46)
(d) From Jiggetts Exhibit 2 Page 4, Line 9
(e) From Jiggetts Exhibit 2 Page 2 Total
(f) From Jiggetts Exhibit 2 Page 4.4, Line 1. Reflects an increase in operating funds per lead-lag study for the adjusted total requirements in this rate case excluding the portion already adjusted in Col. 5, Line 1.

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DUKE ENERGY PROGRESS, LLC
CALCULATION OF ADDITIONAL REVENUE REQUIREMENT
FOR THE TEST PERIOD ENDED DECEMBER 31, 2021
APPLICATION
(Thousands of Dollars)

Exhibit 2
Page 2 Total

Line No.	Description	Dec. 31, 2021 Amount (Col. 1)	Pro forma Ratio (Col. 2)	Tradition Base Rate Revenue Requirement North Carolina Retail Operations					
				Before Proposed Increase			After Proposed Increase		
				Retail Rate Base (Col. 3)	Embedded Cost/ Return % (Col. 4)	Operating Income (Col. 5)	Retail Rate Base (Col. 6)	Embedded Cost/ Return % (Col. 7)	Operating Income (Col. 8)
1	Long-term debt *	\$ 8,904,171	47%	\$ 5,777,745	3.70%	\$ 213,777	\$ 5,782,997	3.70%	\$ 214,059
2	Members' equity	(a) 9,830,900	53%	6,515,329	7.51%	488,986	6,521,252	10.20%	663,066 (d)
3	Total	<u>\$ 18,735,071</u>	<u>100%</u>	<u>\$ 12,293,074 (b)</u>		<u>\$ 702,763 (c)</u>	<u>\$ 12,304,250 (b)</u>		\$ 877,125
4	Operating income before increase (Line 3, Column 5)								<u>702,763</u>
5	Additional operating income required (Line 3 minus Line 4)								174,362
6	Calculate income tax on Incremental interest expense due to increase in cash working capital in proposed revenue								(45)
7	Regulatory fee (0.1397%), Uncollectibles Rate (0.2418%)								869
8	Income Taxes (23.133%)								<u>52,460</u>
9	Additional traditional base rate revenue requirement								<u>\$ 227,646</u>

-- Some totals may not foot or compute due to rounding.

Notes: (a) The equivalent of common equity for a limited liability company
(b) From Jiggetts Exhibit 2 page 1 Total, Line 13 Columns 4 and 6
(c) From Jiggetts Exhibit 2 page 1 Total, Line 12, Column 4
(d) Note: Per the CCR Settlement agreement, Coal Ash ARO discounts the equity rate by 150 basis points.
* Subject to update throughout the proceeding.

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DUKE ENERGY PROGRESS, LLC
DETAIL OF ACCOUNTING ADJUSTMENTS
NORTH CAROLINA RETAIL
APPLICATION
FOR THE TEST PERIOD ENDED DECEMBER 31, 2021
(Thousands of Dollars)

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	Revenue Annualization*	Eliminate unbilled	Adjust other Revenue	Customer Growth *	Weather Normalization	Update Fuel costs to approved rates *	Adjust for costs recovered through Non Fuel riders	Adj Executive Comp	Labor Annualization *	Benefits adjustment	Vegetation Management	Adjustments to test year expenses	Adjust Aviation Expense
	NC1010 (Col. 1)	NC1020 (Col. 2)	NC1030 (Col. 3)	NC1040 (Col. 4)	NC1050 (Col. 5)	NC2010 (Col. 6)	NC2030 (Col. 7)	NC2040 (Col. 8)	NC2050 (Col. 9)	NC2060 (Col. 10)	NC2070 (Col. 11)	NC2080 (Col. 12)	NC2090 (Col. 13)
1 Sales of Electricity	(100,891)	(64,895)	-	47,015	2,467	-	-	-	-	-	-	-	-
2 Other Revenue	-	-	(392)	-	-	-	(33,466)	-	-	-	-	-	-
3 Electric operating revenue	\$ (100,891)	\$ (64,895)	\$ (392)	\$ 47,015	\$ 2,467	\$ -	\$ (33,466)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4													
5 Electric operating expenses:													
6 Operation and maintenance:													
7 Fuel used in electric generation	-	-	-	7,794	271	(183,383)	(39,288)	-	-	-	-	-	-
8 Purchased power	-	-	-	-	-	123,132	(1,946)	-	-	-	-	-	-
9 Other operation and maintenance expense	(385)	-	(1)	1,900	250	-	(124,106)	(2,965)	1,218	3,035	543	(410)	(1,325)
10 Depreciation and amortization	-	-	-	-	-	-	5,116	-	-	-	-	-	-
11 General taxes	-	-	-	-	-	-	(6,808)	-	346	-	-	-	(22)
12 Interest on customer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-
13 EDIT Amortization (net of tax)	-	-	-	-	-	-	110,053	-	-	-	-	-	-
14 Net income taxes	(23,250)	(15,012)	(90)	8,634	450	13,938	30,898	686	(362)	(702)	(126)	95	312
15 Amortization of investment tax credit	-	-	-	-	-	-	-	-	-	-	-	-	-
16 Total electric operating expenses	\$ (23,635)	\$ (15,012)	\$ (92)	\$ 18,327	\$ 971	\$ (46,313)	\$ (26,081)	\$ (2,279)	\$ 1,203	\$ 2,333	\$ 417	\$ (315)	\$ (1,036)
17 Operating income	\$ (77,256)	\$ (49,883)	\$ (300)	\$ 28,688	\$ 1,496	\$ 46,313	\$ (7,385)	\$ 2,279	\$ (1,203)	\$ (2,333)	\$ (417)	\$ 315	\$ 1,036
18 Operating Income revenue requirement impact	\$ 100,890	\$ 65,143	\$ 392	\$ (37,464)	\$ (1,953)	\$ (60,481)	\$ 9,644	\$ (2,976)	\$ 1,571	\$ 3,046	\$ 545	\$ (412)	\$ (1,353)

* Subject to update throughout the proceeding.

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	Adjust Nuclear Outage levelation*	Annualize non labor O&M (Inflation)*	Adjust EOL Nuclear Costs	Adjust for change in NCUC Regulatory fee	Adjust for non residential credit card fees	Adjust for Duke Energy Plaza	Annualize Depreciation on Test Year End Plant	Annualize Property Tax on Test Year End Plant	Adjust for Post Test year additions*	Adjust Depreciation for new depreciation rates	Transmission Merger*	Roxboro Wastewater Treatment*	Remove Expiring Amortizations *	Amortize Rate case Costs*
	NC2100 (Col. 14)	NC2110 (Col. 15)	NC2120 (Col. 16)	NC2130 (Col. 17)	NC2140 (Col. 18)	NC2150 (Col. 19)	NC3010 (Col. 20)	NC3020 (Col. 21)	NC3030 (Col. 22)	NC3040 (Col. 23)	NC3070 (Col. 24)	NC3090 (Col. 25)	NC5010 (Col. 26)	NC5020 (Col. 27)
1 Sales of Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2 Other Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3 Electric operating revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4														
5 Electric operating expenses:														
6 Operation and maintenance:														
7 Fuel used in electric generation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 Purchased power	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Other operation and maintenance expense	2,154	27,304	-	340	1,187	3,925	-	-	-	-	-	-	(12,376)	2,825
10 Depreciation and amortization	-	-	(4,769)	-	-	-	13,286	-	59,706	67,869	(192)	1,362	(23,874)	-
11 General taxes	-	-	-	-	-	-	-	3,592	5,638	-	-	(1,074)	-	-
12 Interest on customer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 EDIT Amortization (net of tax)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14 Net income taxes	(498)	(6,316)	1,103	(79)	(275)	(908)	(3,073)	(831)	(15,116)	(15,700)	44	(67)	8,386	(654)
15 Amortization of investment tax credit	-	-	-	-	-	-	(19)	-	-	-	-	-	-	-
16 Total electric operating expenses	\$ 1,656	\$ 20,987	\$ (3,666)	\$ 262	\$ 912	\$ 3,017	\$ 10,193	\$ 2,761	\$ 50,228	\$ 52,169	\$ (147)	\$ 221	\$ (27,865)	\$ 2,172
17 Operating income	\$ (1,656)	\$ (20,987)	\$ 3,666	\$ (262)	\$ (912)	\$ (3,017)	\$ (10,193)	\$ (2,761)	\$ (50,228)	\$ (52,169)	\$ 147	\$ (221)	\$ 27,865	\$ (2,172)
18 Operating Income revenue requirement impact	\$ 2,163	\$ 27,408	\$ (4,787)	\$ 342	\$ 1,192	\$ 3,940	\$ 13,311	\$ 3,606	\$ 65,594	\$ 68,128	\$ (192)	\$ 289	\$ (36,389)	\$ 2,836

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	Grid next tranche*	Harris Land Sale /Amort*	Adjust for approved regulatory assets and liabilities	COVID Deferral*	Customer Connect Amortization	Adjust Coal Inventory	Cash working Capital - Present*	Interest Sync*	NC Tax Rate and Franchise Tax Rate changes	Nuclear Decommissio ning reduction	Unprotected EDIT - Remove from Rate base	Storm Normalizati on	Storm Securitization Regulatory Asset*	Exclude CCR ARO Subtotal (Col. 41)
	NC5040 (Col. 28)	NC5070 (Col. 29)	NC5080 (Col. 30)	NC5090 (Col. 31)	NC5120 (Col. 32)	NC6010 (Col. 33)	NC6020a (Col. 34)	NC6030 (Col. 35)	NC6040 (Col. 36)	NC6050 (Col. 37)	NC6090 (Col. 38)	NC7010 (Col. 39)	NC7040 (Col. 40)	
1 Sales of Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ (116,304)
2 Other Revenue	-	-	-	6,858	-	-	-	-	-	-	-	-	-	(27,000)
3 Electric operating revenue	\$ -	\$ -	\$ -	\$ 6,858	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (143,304)
4														
5 Electric operating expenses:														
6 Operation and maintenance:														
7 Fuel used in electric generation	-	-	-	-	-	-	-	-	-	-	-	-	-	(214,606)
8 Purchased power	-	-	-	-	-	-	-	-	-	-	-	-	-	121,186
9 Other operation and maintenance expense	-	-	-	3,303	-	-	-	-	-	-	-	6,542	-	(87,042)
10 Depreciation and amortization	12,944	(3,574)	10,087	23,804	3,401	-	-	-	-	(7,821)	-	-	(345)	157,000
11 General taxes	-	-	-	-	-	-	-	-	(7,253)	-	-	-	-	(5,581)
12 Interest on customer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 EDIT Amortization (net of tax)	-	-	-	-	-	-	-	-	-	-	-	-	-	110,053
14 Net income taxes	(2,994)	827	(2,334)	(4,684)	(787)	-	(34)	(2,787)	1,678	1,809	-	(1,513)	80	(29,253)
15 Amortization of investment tax credit	-	-	-	-	-	-	-	-	-	-	-	-	-	(19)
16 Total electric operating expenses	\$ 9,950	\$ (2,747)	\$ 7,754	\$ 22,424	\$ 2,614	\$ -	\$ (34)	\$ (2,787)	\$ (5,575)	\$ (6,012)	\$ -	\$ 5,029	\$ (265)	\$ 51,738
17 Operating income	\$ (9,950)	\$ 2,747	\$ (7,754)	\$ (15,565)	\$ (2,614)	\$ -	\$ 34	\$ 2,787	\$ 5,575	\$ 6,012	\$ -	\$ (5,029)	\$ 265	\$ (195,042)
18 Operating Income revenue requirement impact	\$ 12,994	\$ (3,588)	\$ 10,126	\$ 20,327	\$ 3,414	\$ -	\$ (44)	\$ (3,640)	\$ (7,281)	\$ (7,851)	\$ -	\$ 6,567	\$ (346)	\$ 254,710

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	Remove Expiring Amortizations NC5010-CCR (Col. 42)	Amortized Deferred Environmental Cost* NC4010 (Col. 43)	Adjust for approved regulatory assets and liabilities NC5080-CCR (Col. 44)	CCR ARO Subtotal (Col. 45)	Total (Col. 46)	Cash working Capital - Proposed NC6020b (Col. 47)
1 Sales of Electricity	\$ -	\$ -	\$ -	\$ -	\$ (116,304)	-
2 Other Revenue	-	-	-	-	(27,000)	-
3 Electric operating revenue	\$ -	\$ -	\$ -	\$ -	\$ (143,304)	\$ -
4						
5 Electric operating expenses:						
6 Operation and maintenance:						
7 Fuel used in electric generation	-	-	-	-	(214,606)	-
8 Purchased power	-	-	-	-	121,186	-
9 Other operation and maintenance expense	-	-	-	-	(87,042)	-
10 Depreciation and amortization	(46,763)	44,431	16,139	13,807	170,807	-
11 General taxes	-	-	-	-	(5,581)	-
12 Interest on customer deposits	-	-	-	-	-	-
13 EDIT Amortization (net of tax)	-	-	-	-	110,053	-
14 Net income taxes	10,818	(10,278)	(3,733)	(3,194)	(32,447)	(45)
15 Amortization of investment tax credit	-	-	-	-	(19)	-
16 Total electric operating expenses	\$ (35,945)	\$ 34,153	\$ 12,405	\$ 10,613	\$ 62,351	\$ (45)
17 Operating income	\$ 35,945	\$ (34,153)	\$ (12,405)	\$ (10,613)	\$ (205,655)	\$ 45
18 Operating Income revenue requirement impact	\$ (46,942)	\$ 44,601	\$ 16,200	\$ 13,860	\$ 268,570	\$ (59)

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DUKE ENERGY PROGRESS, LLC
DETAIL OF ACCOUNTING ADJUSTMENTS
NORTH CAROLINA RETAIL

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	Revenue Annualization* NC1010 (Col. 1)	Eliminate unbilled NC1020 (Col. 2)	Adjust other Revenue NC1030 (Col. 3)	Customer Growth * NC1040 (Col. 4)	Weather Normalization NC1050 (Col. 5)	Update Fuel costs to approved rates * NC2010 (Col. 6)	Adjust for costs recovered through Non Fuel riders NC2030 (Col. 7)	Adj Executive Comp NC2040 (Col. 8)	Labor Annualization * NC2050 (Col. 9)	Benefits adjustment NC2060 (Col. 10)	Vegetation Management NC2070 (Col. 11)	Adjustments to test year expenses NC2080 (Col. 12)	Adjust Aviation Expense NC2090 (Col. 13)
Rate Base													
19 Electric plant in service	-	-	-	-	-	-	(911,136)	-	-	-	-	-	-
20 Accumulated depreciation and amortization	-	-	-	-	-	-	183,928	-	-	-	-	-	-
21 Net electric plant in service (L1 + L2)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (727,208)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22 Materials and supplies	-	-	-	-	-	-	(167,391)	-	-	-	-	-	-
Other Working Capital													
23 Customer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-
24 Cash Working Capital	-	-	-	-	-	-	-	-	-	-	-	-	-
25 Unamortized debt	-	-	-	-	-	-	-	-	-	-	-	-	-
26 Required Bank Balance	-	-	-	-	-	-	-	-	-	-	-	-	-
27 SFAS-158	-	-	-	-	-	-	-	-	-	-	-	-	-
28 Prepayments	-	-	-	-	-	-	-	-	-	-	-	-	-
29 Average Taxes Accrual	-	-	-	-	-	-	-	-	-	-	-	-	-
30 Injuries and Damages	-	-	-	-	-	-	-	-	-	-	-	-	-
31 ARO-related CCR regulatory assets and liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-
32 Adjustments to EDIT	-	-	-	-	-	-	-	-	-	-	-	-	-
33 Other	-	-	-	-	-	-	(253,759)	-	-	-	-	-	-
34 Total Working Capital	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (253,759)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
35 Accumulated deferred income taxes	-	-	-	-	-	-	102,892	-	-	-	-	-	-
36 Operating reserves	-	-	-	-	-	-	-	-	-	-	-	-	-
37 Construction Work in Progress	-	-	-	-	-	-	-	-	-	-	-	-	-
38 Total Initial cost rate base	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,045,466)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
39 Rate Base revenue requirement impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (92,058)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40 Income Tax on Interest Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (5,492)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
41 Total Revenue requirement impact (L18+L39)	\$ 100,890	\$ 65,143	\$ 392	\$ (37,464)	\$ (1,953)	\$ (60,481)	\$ (87,906)	\$ (2,976)	\$ 1,571	\$ 3,046	\$ 545	\$ (412)	\$ (1,353)

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	Adjust Nuclear Outage levelation*	Annualize non labor O&M (Inflation)*	Adjust EOL Nuclear Costs	Adjust for change in NCUC Regulatory fee	Adjust for non residential credit card fees	Adjust for Duke Energy Plaza	Annualize Depreciation on Test Year End Plant	Annualize Property Tax on Test Year End Plant	Adjust for Post Test year additions*	Adjust Depreciation for new depreciation rates	Transmission Merger*	Roxboro Wastewater Treatment*	Remove Expiring Amortizations *	Amortize Rate case Costs*
	NC2100 (Col. 14)	NC2110 (Col. 15)	NC2120 (Col. 16)	NC2130 (Col. 17)	NC2140 (Col. 18)	NC2150 (Col. 19)	NC3010 (Col. 20)	NC3020 (Col. 21)	NC3030 (Col. 22)	NC3040 (Col. 23)	NC3070 (Col. 24)	NC3090 (Col. 25)	NC5010 (Col. 26)	NC5020 (Col. 27)
Rate Base														
19 Electric plant in service	-	-	-	-	-	-	-	-	1,558,618	-	-	(28,854)	-	-
20 Accumulated depreciation and amortization	-	-	-	-	-	-	-	-	(514,508)	(99,632)	462	16,230	-	-
21 Net electric plant in service (L1 + L2)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,044,111	\$ (99,632)	\$ 462	\$ (12,624)	\$ -	\$ -
22 Materials and supplies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Working Capital														
23 Customer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24 Cash Working Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25 Unamortized debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26 Required Bank Balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27 SFAS-158	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28 Prepayments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29 Average Taxes Accrual	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30 Injuries and Damages	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31 ARO-related CCR regulatory assets and liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32 Adjustments to EDIT	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33 Other	-	-	-	-	-	-	-	-	-	31,763	-	12,365	(5,918)	1,246
34 Total Working Capital	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,763	\$ -	\$ 12,365	\$ (5,918)	\$ 1,246
35 Accumulated deferred income taxes	-	-	-	-	-	-	-	-	-	(7,348)	-	(2,860)	1,369	(288)
36 Operating reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37 Construction Work in Progress	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38 Total Initial cost rate base	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,044,111	\$ (75,216)	\$ 462	\$ (3,119)	\$ (4,549)	\$ 958
39 Rate Base revenue requirement impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 91,939	\$ (6,623)	\$ 41	\$ (275)	\$ (401)	\$ 84
40 Income Tax on Interest Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,485	\$ (395)	\$ 2	\$ (16)	\$ (24)	\$ 5
41 Total Revenue requirement impact (L18+L39)	\$ 2,163	\$ 27,408	\$ (4,787)	\$ 342	\$ 1,192	\$ 3,940	\$ 13,311	\$ 3,606	\$ 163,019	\$ 61,110	\$ (149)	\$ (2)	\$ (36,814)	\$ 2,926

* Subject to update throughout the proceeding.

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DUKE ENERGY PROGRESS, LLC
DETAIL OF ACCOUNTING ADJUSTMENTS
NORTH CAROLINA RETAIL

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	Grid next tranche*	Harris Land Sale /Amort*	Adjust for approved regulatory assets and liabilities	COVID Deferral*	Customer Connect Amortization	Adjust Coal Inventory	Cash working Capital - Present*	Interest Sync*	NC Tax Rate and Franchise Tax Rate changes	Nuclear Decommissio ning reduction	Unprotected EDIT - Remove from Rate base	Storm Normalizati on	Storm Securitization Regulatory Asset*	Exclude CCR ARO Subtotal (Col. 41)
	NC5040 (Col. 28)	NC5070 (Col. 29)	NC5080 (Col. 30)	NC5090 (Col. 31)	NC5120 (Col. 32)	NC6010 (Col. 33)	NC6020a (Col. 34)	NC6030 (Col. 35)	NC6040 (Col. 36)	NC6050 (Col. 37)	NC6090 (Col. 38)	NC7010 (Col. 39)	NC7040 (Col. 40)	
Rate Base														
19 Electric plant in service	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 618,628
20 Accumulated depreciation and amortization	-	-	-	-	-	-	-	-	-	-	-	-	-	(413,519)
21 Net electric plant in service (L1 + L2)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 205,109
22 Materials and supplies	-	-	-	-	-	21,378	-	-	-	-	-	-	-	(146,012)
Other Working Capital														
23 Customer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24 Cash Working Capital	-	-	-	-	-	-	8,336	-	-	-	-	-	-	8,336
25 Unamortized debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26 Required Bank Balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27 SFAS-158	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28 Prepayments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29 Average Taxes Accrual	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30 Injuries and Damages	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31 ARO-related CCR regulatory assets and liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32 Adjustments to EDIT	-	-	30,340	-	-	-	-	-	-	-	16,163	-	-	46,502
33 Other	25,889	3,467	(82,167)	47,609	(4,429)	-	-	-	-	-	-	-	(690)	(224,624)
34 Total Working Capital	\$ 25,889	\$ 3,467	\$ (51,827)	\$ 47,609	\$ (4,429)	\$ -	\$ 8,336	\$ -	\$ -	\$ -	\$ 16,163	\$ -	\$ (690)	\$ (169,786)
35 Accumulated deferred income taxes	(5,989)	(802)	11,989	(11,013)	1,025	-	-	-	-	-	(3,739)	-	160	85,395
36 Operating reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37 Construction Work in Progress	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38 Total Initial cost rate base	\$ 19,900	\$ 2,665	\$ (39,838)	\$ 36,596	\$ (3,404)	\$ 21,378	\$ 8,336	\$ -	\$ -	\$ -	\$ 12,424	\$ -	\$ (530)	\$ (25,294)
39 Rate Base revenue requirement impact	\$ 1,752	\$ 235	\$ (3,508)	\$ 3,222	\$ (300)	\$ 1,882	\$ 734	\$ -	\$ -	\$ -	\$ 1,094	\$ -	\$ (47)	\$ (2,227)
40 Income Tax on Interest Expense	\$ 105	\$ 14	\$ (209)	\$ 192	\$ (18)	\$ 112	\$ 44	\$ -	\$ -	\$ -	\$ 65	\$ -	\$ (3)	\$ (133)
41 Total Revenue requirement impact (L18+L39)	\$ 14,851	\$ (3,339)	\$ 6,409	\$ 23,742	\$ 3,097	\$ 1,995	\$ 734	\$ (3,640)	\$ (7,281)	\$ (7,851)	\$ 1,159	\$ 6,567	\$ (396)	\$ 252,350

* Subject to update throughout the proceeding.

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DUKE ENERGY PROGRESS, LLC
DETAIL OF ACCOUNTING ADJUSTMENTS
NORTH CAROLINA RETAIL

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	Remove Expiring Amortizations NC5010-CCR (Col. 42)	Amortized Deferred Environmental Cost* NC4010 (Col. 43)	Adjust for approved regulatory assets and liabilities NC5080-CCR (Col. 44)	CCR ARO Subtotal (Col. 45)	Total (Col. 46)	Cash working Capital - Proposed NC6020b (Col. 47)
Rate Base						
19 Electric plant in service	\$ -	\$ -	\$ -	\$ -	\$ 618,628	-
20 Accumulated depreciation and amortization	-	-	-	-	(413,519)	-
21 Net electric plant in service (L1 + L2)	\$ -	\$ -	\$ -	\$ -	\$ 205,109	\$ -
22 Materials and supplies	-	-	-	-	(146,012)	-
<u>Other Working Capital</u>						
23 Customer deposits	-	-	-	-	-	-
24 Cash Working Capital	-	-	-	-	8,336	11,176
25 Unamortized debt	-	-	-	-	-	-
26 Required Bank Balance	-	-	-	-	-	-
27 SFAS-158	-	-	-	-	-	-
28 Prepayments	-	-	-	-	-	-
29 Average Taxes Accrual	-	-	-	-	-	-
30 Injuries and Damages	-	-	-	-	-	-
31 ARO-related CCR regulatory assets and liabilities	(56,505)	177,723	(38,733)	82,486	82,486	-
32 Adjustments to EDIT	-	-	-	-	46,502	-
33 Other	-	-	-	-	(224,624)	-
34 Total Working Capital	\$ (56,505)	\$ 177,723	\$ (38,733)	\$ 82,486	\$ (87,300)	\$ 11,176
35 Accumulated deferred income taxes	13,071	(41,113)	8,960	(19,081)	66,314	-
36 Operating reserves	-	-	-	-	-	-
37 Construction Work in Progress	-	-	-	-	-	-
38 Total Initial cost rate base	\$ (43,434)	\$ 136,611	\$ (29,773)	\$ 63,404	\$ 38,110	\$ 11,176
39 Rate Base revenue requirement impact	\$ (3,825)	\$ 10,506	\$ (2,290)	\$ 4,392	\$ 2,165	\$ 984
40 Income Tax on Interest Expense	\$ (228)	\$ 718	\$ (156)	\$ 333	\$ 200	\$ 59
41 Total Revenue requirement impact (L18+L39)	\$ (50,994)	\$ 55,825	\$ 13,754	\$ 18,585	\$ 270,935	\$ 984

* Subject to update throughout the proceeding.

DUKE ENERGY PROGRESS, LLC
Initial COST RATE BASE-ELECTRIC OPERATIONS
FOR THE TEST PERIOD ENDED DECEMBER 31, 2021
(Thousands of Dollars)

Exhibit 2
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Line No.	Description	Page Reference	Total Company Per Books (Col. 1)	North Carolina Retail Operations		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Electric plant in service	4.1	31,835,954	22,002,138	\$ 618,628	\$ 22,620,766
2	Less: Accumulated depreciation and amortization	4.2	(12,887,184)	(8,965,842)	(413,519)	(9,379,361)
3	Net electric plant		18,948,770	13,036,296	205,109	13,241,405
4	Add: Materials and supplies	4.3	1,054,172	755,551	(146,012)	609,539
5	Working capital investment	4.4	(130,595)	142,956	(87,300)	55,656
6	Less: Accumulated deferred taxes		(2,382,008)	(1,717,004)	66,314	(1,650,690)
7	Operating reserves		55,904	37,164	-	37,164
8	Construction work in progress		-	-	-	-
9	Total		<u>\$ 17,546,243</u>	<u>\$ 12,254,963</u>	<u>\$ 38,110</u>	<u>\$ 12,293,074</u>

-- Some totals may not foot or compute due to rounding.

DUKE ENERGY PROGRESS, LLC
ELECTRIC PLANT IN SERVICE AT Initial COST
FOR THE TEST PERIOD ENDED DECEMBER 31, 2021
(Thousands of Dollars)

Exhibit 2
Page 4.1 of 4.4

Line No.	Description	Total Company Per Books (Col. 1)	North Carolina Retail Operations		
			Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Production Plant	\$ 18,042,509	\$ 11,170,584	\$ (704,176)	\$ 10,466,408
2	Transmission Plant	3,443,502	2,064,514	\$ 161,133	2,225,647
3	Distribution Plant	8,531,324	7,467,638	\$ 841,187	8,308,825
4	General Plant	779,490	587,922	\$ 303,305	891,227
5	Intangible Plant	693,387	496,503	\$ 44,566	541,069
6	Subtotal	31,490,212	21,787,162	646,014	22,433,176
7	Nuclear Fuel (Net)	345,742	214,976	\$ (27,387)	187,590
8	Total electric plant in service	<u>\$ 31,835,954</u>	<u>\$ 22,002,138</u>	<u>\$ 618,628</u>	<u>\$ 22,620,766</u>

-- Some totals may not foot or compute due to rounding.

DUKE ENERGY PROGRESS, LLC
ACCUMULATED DEPRECIATION AND AMORTIZATION - ELECTRIC PLANT IN SERVICE
FOR THE TEST PERIOD ENDED DECEMBER 31, 2021
(Thousands of Dollars)

Exhibit 2
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No.	Description	Total Company Per Books (Col. 1)	North Carolina Retail Operations		
			Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Production Reserve	\$ (7,968,065)	\$ (4,988,923)	\$ (198,639)	\$ (5,187,562)
2	Transmission Reserve	\$ (865,062)	\$ (518,675)	\$ (32,023)	(550,699)
3	Distribution Reserve	\$ (3,379,517)	\$ (2,966,076)	\$ (76,485)	(3,042,561)
4	General Reserve	\$ (239,893)	\$ (180,937)	\$ (56,518)	(237,455)
5	Intangible Reserve	<u>(434,646)</u>	<u>(311,231)</u>	<u>\$ (49,855)</u>	<u>(361,085)</u>
6	Total	<u>\$ (12,887,184)</u>	<u>\$ (8,965,842)</u>	<u>\$ (413,519)</u>	<u>\$ (9,379,361)</u>
7	The annual composite rates based on the new depreciation study for computing depreciation (straight-line method) are shown below:				
8	Steam production plant	7.57%			
9	Nuclear production plant	2.02%			
10	Hydro production plant	3.81%			
11	Other production plant	4.07%			
12	Transmission plant	2.34%			
13	Distribution plant	2.85%			
14	General plant	Various			
15	Intangible plant	20.00%			

-- Some totals may not foot or compute due to rounding.

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DUKE ENERGY PROGRESS, LLC
MATERIALS AND SUPPLIES
FOR THE TEST PERIOD ENDED DECEMBER 31, 2021
(Thousands of Dollars)

Exhibit 2
Page 4.3 of 4.4

Line No.	Description	Total Company Per Books (Col. 1)	North Carolina Retail Operations		
			Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
	Fuel Stock:				
1	Coal	\$ 93,916	\$ 58,395	\$ 21,378 (a)	\$ 79,774
2	Oil	97,682	60,737	\$ -	60,737
3	Total fuel stock	191,599	119,133	21,378	140,511
4	Other electric materials and supplies and stores clearing	862,573	636,419	\$ (167,391)	469,028
5	Total Materials and Supplies	<u>\$ 1,054,172</u>	<u>\$ 755,551</u>	<u>\$ (146,012)</u>	<u>\$ 609,539</u>

-- Some totals may not foot or compute due to rounding.

Notes: (a) Adjusts coal inventory to reflect the targeted inventory level of 40 days at full load

DUKE ENERGY PROGRESS, LLC
WORKING CAPITAL INVESTMENT
FOR THE TEST PERIOD ENDED DECEMBER 31, 2021
(Thousands of Dollars)

Exhibit 2
Page 4.4 of 4.4

Line No.	Description	Total Company Per Books (Col. 1)	North Carolina Retail Operations			Impact of Rev Incr (Col. 5)	With Rev Incr (Col. 6)
			Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)		
1	Investor advanced funds: Cash Working Capital	222,462 (a)	153,322 (a)	8,336 (b)	161,658	11,176 (c)	172,834
2	Unamortized Debt	50,494	34,801	-	34,801		34,801
3	Required Bank Balance			-	-		-
4	SFAS-158	339,408	225,345	-	225,345		225,345
5	Prepayments	-	-	-	-		-
6	Average Taxes Accrual	-	-	-	-		-
7	ARO-related CCR regulatory assets and liabilities	227,575	227,575	82,486	310,060		310,060
8	Adjustments to EDIT	(1,291,267)	(715,474)	46,502	(668,972)		(668,972)
9	Other	465,309	341,331	(224,624)	116,707		116,707
10	Total investor advanced funds	13,979	266,899	(87,300)	179,599	11,176	190,774
11	Less: customer deposits	(144,574)	(123,943)	-	(123,943)		(123,943)
12	Total working capital investment	\$ (130,595)	\$ 142,956	\$ (87,300)	\$ 55,656	\$ 11,176	\$ 66,832

-- Some totals may not foot or compute due to rounding.

Notes: (a) From Speros Exhibit 2, Line 16 and Line 19
(b) Reflects a decrease in "operating funds per lead-lag study" for the adjusted total requirements in this rate case
(c) Reflects an increase in "operating funds per lead-lag study" for the impact of the revenue increase

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DUKE ENERGY PROGRESS, LLC
SUMMARY OF OPERATING INCOME IMPACTS FOR MYRP ADJUSTMENTS
FOR THE MYRP PLAN PERIOD
(Thousands of Dollars)

Line No.	Description	North Carolina Retail Operations Rate Year 1 [a]		
		Operating Income Impacts from MYRP Projects (Col. 1)	Revenue and Expenses from Proposed Increase (Col. 2)	After Proposed Increase (Col. 3)
1	Electric operating revenue	[b]	\$ 106,650	\$ 106,650
	Electric operating expenses:			
	Operation and maintenance:			
2	Fuel used in electric generation			
3	Purchased power			
4	Other operation and maintenance expense	9,652	406	10,058
5	Depreciation and amortization	23,777		23,777
6	General taxes	1,430		1,430
7	Interest on customer deposits			
8	EDIT Amortization (net of tax)			
9	Net income taxes	[c] (11,446)	24,577	13,131
10	Amortization of investment tax credit			
11	Total electric operating expenses (Sum L2:L10)	\$ 23,413	\$ 24,984	\$ 48,397
12	Operating income (L1-L11)	\$ (23,413)	\$ 81,666	\$ 58,253
13	Rate Base (13 Month Average)	[d] \$ 815,300		\$ 815,300
14	Rate of return on North Carolina retail rate base (L12/L13)	-2.87%		7.15%

Notes:

- [a] Rate Year 1: October 2023 - September 2024
[b] Taylor Exhibit 4 line 14
[c] Includes operating revenue income taxes and tax related to the rate base component.
[d] Taylor Exhibit 4 line 10

DUKE ENERGY PROGRESS, LLC
SUMMARY OF OPERATING INCOME IMPACTS FOR MYRP ADJUSTMENTS
FOR THE MYRP PLAN PERIOD
(Thousands of Dollars)

Exhibit 3
Page 2 of 3

Line No.	Description	North Carolina Retail Operations Rate Year 2 [a]		
		Operating Income Impacts from MYRP Projects (Col. 1)	Revenue and Expenses from Proposed Increase (Col. 2)	After Proposed Increase (Col. 3)
1	Electric operating revenue	[b]	\$ 257,466	\$ 257,466
	Electric operating expenses:			
	Operation and maintenance:			
2	Fuel used in electric generation			
3	Purchased power			
4	Other operation and maintenance expense	10,805	981	11,786
5	Depreciation and amortization	67,117		67,117
6	General taxes	5,401		5,401
7	Interest on customer deposits			
8	EDIT Amortization (net of tax)			
9	Net income taxes	[c] (27,475)	59,333	31,858
10	Amortization of investment tax credit			
11	Total electric operating expenses (Sum L2:L10)	\$ 55,848	\$ 60,314	\$ 116,162
12	Operating income (L1-L11)	\$ (55,848)	\$ 197,152	\$ 141,304
13	Rate Base (13 Month Average)	[d] \$ 1,977,666		\$ 1,977,666
14	Rate of return on North Carolina retail rate base (L12/L13)	-2.82%		7.15%

Notes:

- [a] Rate Year 2: October 2024 - September 2025
[b] Taylor Exhibit 4 line 14
[c] Includes operating revenue income taxes and tax related to the rate base component.
[d] Taylor Exhibit 4 line 10

Taylor Exhibit 3
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DUKE ENERGY PROGRESS, LLC
SUMMARY OF OPERATING INCOME IMPACTS FOR MYRP ADJUSTMENTS
FOR THE MYRP PLAN PERIOD
(Thousands of Dollars)

Exhibit 3
Page 3 of 3

Line No.	Description	North Carolina Retail Operations Rate Year 3 [a]		
		Operating Income Impacts from MYRP Projects (Col. 1)	Revenue and Expenses from Proposed Increase (Col. 2)	After Proposed Increase (Col. 3)
1	Electric operating revenue	[b]	\$ 395,814	\$ 395,814
	Electric operating expenses:			
	Operation and maintenance:			
2	Fuel used in electric generation			
3	Purchased power			
4	Other operation and maintenance expense	7,140	1,509	8,649
5	Depreciation and amortization	107,555		107,555
6	General taxes	9,782		9,782
7	Interest on customer deposits			
8	EDIT Amortization (net of tax)			
9	Net income taxes	[c] (41,556)	91,215	49,658
10	Amortization of investment tax credit			
11	Total electric operating expenses (Sum L2:L10)	\$ 82,921	\$ 92,723	\$ 175,645
12	Operating income (L1-L11)	\$ (82,921)	\$ 303,091	\$ 220,169
13	Rate Base (13 Month Average)	[d] \$ 3,081,448		\$ 3,081,448
14	Rate of return on North Carolina retail rate base (L12/L13)	-2.69%		7.15%

Notes:

- [a] Rate Year 3: October 2025 - September 2026
[b] Taylor Exhibit 4 line 14
[c] Includes operating revenue income taxes and tax related to the rate base component.
[d] Taylor Exhibit 4 line 10

Taylor Exhibit 3
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DUKE ENERGY PROGRESS, LLC
MYRP REVENUE REQUIREMENT CALCULATION
FOR THE MYRP PLAN PERIOD
(Thousands of Dollars)

Exhibit 4
Page 1 of 1

Line No.	Description	North Carolina Retail Operations		
		Rate Year 1 (cumulative) (Col. 1)	Rate Year 2 (cumulative) (Col. 2)	Rate Year 3 (cumulative) (Col. 3)
	<u>OPERATING INCOME</u>			
1	Depreciation Expense	\$ 23,777	\$ 67,117	\$ 107,555
2	Incremental O&M Expense [a]	9,652	10,805	7,140
3	Property Taxes	1,430	5,401	9,782
4	Income Taxes [b]	(8,166)	(19,519)	(29,160)
5	Operating Income (L1+L2+L3+L4)	\$ 26,693	\$ 63,804	\$ 95,318
6	Retention Factor [c]	76.57%	76.57%	76.57%
7	Operating Income Revenue Requirement (L5/L6)	\$ 34,859	\$ 83,323	\$ 124,478
	<u>RETURN ON RATE BASE</u>			
8	Electric Plant In-Service [d]	\$ 823,869	\$ 2,031,578	\$ 3,223,194
9	Accumulated Depreciation [d]	(8,569)	(53,911)	(141,746)
10	Total Rate Base (L8-L9)	\$ 815,300	\$ 1,977,666	\$ 3,081,448
11	Return on Rate Base [e]	8.81%	8.81%	8.81%
12	Rate Base Revenue Requirement (L10*L11)	\$ 71,791	\$ 174,143	\$ 271,337
13	<u>Cumulative MYRP Revenue Requirement (L7+L12)</u>	\$ 106,650	\$ 257,466	\$ 395,814
14	Incremental MYRP Rate Year Revenue Requirement	\$ 106,650	\$ 150,816	\$ 138,348
15	NC Retail Operations Base Rate Revenue Requirement [f]	\$ 4,068,472		
16	4% Annual Increase Test for Rate Years 2 & 3 [g]		3.7%	3.4%
17	Total Base Rate Revenue Requirement (L13+L15)	\$ 4,175,122	\$ 4,325,938	\$ 4,464,286

Notes:

- [a] Incremental O&M amounts, including savings offsets, the Company expects to experience as a result of MYRP projects
[b] Includes only operating revenue income taxes
[c] The Retention Factor is a consolidated rate which includes income taxes, gross receipts tax and the regulatory fee
[d] Plant balances reflect 13-month averages ended September for each MYRP Rate Year
[e] The Return on Rate Base percentage is grossed up for income taxes related to return on rate base, gross receipts tax and the regulatory fee
[f] Source: Reed Exhibit 4, Line 10 Sum of Columns J and N
[g] As described in HB951, excludes the Rate Year 1 MYRP Revenue Requirement for purposes of the 4% revenue increase calculation

Taylor Exhibit 4
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